

# What is Financial Exploitation?

Financial exploitation happens when someone illegally or improperly uses your money or belongings for their personal use. Financial exploitation is the fastest growing form of elder abuse. It is a crime and is often not reported. Learn how to protect yourself. The four steps below will help you prevent, detect and report financial exploitation.

## 1. **KNOW** Your Rights<sup>1</sup>

Federal nursing home regulations provide the following resident rights and facility requirements (state nursing home regulations may provide additional protections):<sup>2</sup>

**Residents (or the residents' legal representative) have the right to:**

- Access all records pertaining to himself or herself within 24 hours (excluding weekends and holidays).
- Manage his or her financial affairs.
- Be fully informed of available services and charges for each service.
- To file a complaint without fear of retaliation.

**The facility is required to:**

- Protect personal funds residents choose to deposit with the facility and place resident personal funds greater than \$50 into an interest bearing account.
- Maintain a full and separate accounting of each resident's personal funds.
- Make individual financial records available through quarterly statements to the resident or resident's legal representative.
- Not charge a resident for services or items paid for by Medicare or Medicaid.

## 2. **PLAN** How to Handle Your Finances

- If you deposit your personal funds with the facility, review your financial records at least quarterly.
- Ask someone you trust to act as your agent (for a power of attorney) or representative payee for Social Security benefits.
- Receive your benefits (e.g. pension check) by direct deposit.
- Residents receiving Medicaid are entitled to a monthly Personal Needs Allowance (PNA). If you do not know about your PNA ask the facility staff or the individual assisting you with your finances.
- Tear up or shred financial documents (e.g. receipts, statements) before throwing them away.
- Protect your personal information. Do not give out personal information like your Social Security or bank account numbers unless you contacted the person asking for that information.

<sup>1</sup>For more fact sheets and additional resources regarding residents' rights and advocating for quality long-term care visit the National Consumer Voice for Quality Long-Term Care (Consumer Voice) website [www.theconsumervoice.org](http://www.theconsumervoice.org).

<sup>2</sup>42 CFR 483.10 Resident Rights

<http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=e5d3af40a300a1dbbea73a73921156948&rgn=div8&view=text&node=42:5.0.1.1.2.2.7.3&idno=42>.

### 3. **REVIEW** Your Financial Information

It is important to check your finances and benefits often and look for warning signs of financial exploitation. Some common warning signs include:

- The person helping you does not do what you ask with your money (e.g. purchase items for you, show you your bank statements, pay for your care and services).
- The facility gives you a discharge notice due to non-payment.
- You notice unfamiliar charges to your credit cards or receive statements for credit cards or accounts you did not open.
- A caregiver asks for, demands or takes money or gifts.

### 4. **REPORT** Any Suspicion of Financial Abuse

Facilities are required to protect residents from and investigate reports of abuse. Financial exploitation is a crime. There is information available and agencies responsible for investigating reports of financial exploitation. If you suspect financial exploitation there are several things you can do:

- Share your concerns with the **facility administrator, social worker** or another **staff person**.
- Contact your local **Long-Term Care Ombudsman Program**. Ombudsmen are advocates for residents in long-term care facilities and are trained to resolve complaints. For additional information about the ombudsman program in your state and contact information, visit [www.ltombudsman.org/ombudsman](http://www.ltombudsman.org/ombudsman). Contact information for your local ombudsman program should also be posted in your facility.
- Contact your **state licensing and certification agency**. Each state has an agency responsible for the licensing, certification and regulation of long-term care facilities and investigations of complaints. To locate your state licensing and certification agency visit [www.ltombudsman.org/ombudsman](http://www.ltombudsman.org/ombudsman).
- Contact **Adult Protective Services (APS)**. APS investigates reports of abuse, neglect and exploitation of elders and, in many states, individuals with disabilities. Every state has APS services, but the services vary by state. To locate APS services in your area, visit [www.napsa-now.org/get-help/how-aps-helps](http://www.napsa-now.org/get-help/how-aps-helps).
- Financial exploitation is a crime. Contact your **local law enforcement agency**.
- For additional information regarding elder abuse, neglect or exploitation visit the **National Center on Elder Abuse (NCEA)** website at <https://ncea.acl.gov> or call **1-855-500-3537**.

To locate resources in your state you can contact **Eldercare Locator**. Eldercare Locator is a national public service to help older adults and caregivers connect with local aging and disability services including the Long-Term Care Ombudsman Program, Adult Protective Services, your state licensing and certification agency and legal assistance. You can contact the Eldercare Locator by calling **1-800-677-1116** or visiting <https://eldercare.acl.gov>.

This fact sheet was completed by The National Consumer Voice for Quality Long-Term Care for the National Center on Elder Abuse (Grant Number 90-AB0002) and is supported in part by a grant from the Administration on Aging, U.S. Department of Health and Human Services (HHS). Grantees carrying out projects under government sponsorship are encouraged to express freely their findings and conclusions. Therefore, points of view or opinions do not necessarily represent official Administration on Aging or HHS policy. NCEA: <https://ncea.acl.gov>. LAST DOCUMENT REVISION: AUGUST 2020

**NCEA**  
National Center on Elder Abuse

**Fact Sheet is available in English, Spanish and Simplified Chinese.**